United Nations A/59/557

General Assembly

Distr.: General
8 November 2004

Original: English

Fifty-ninth session
Agenda item 108
Programme budget for the biennium 2004-2005

Conditions of service and compensation for officials other than Secretariat officials

Members of the International Court of Justice

Judges of the International Criminal Tribunal for the Former Yugoslavia

Judges of the International Criminal Tribunal for Rwanda

Ad litem judges of the International Criminal Tribunal for the Former Yugoslavia

Ad litem judges of the International Criminal Tribunal for Rwanda

Report of the Advisory Committee on Administrative and Budgetary Questions

1. The Advisory Committee on Administrative and Budgetary Questions has considered the report of the Secretary-General on the compensation and conditions of service of the members of the International Court of Justice, the judges of the International Criminal Tribunal for the Former Yugoslavia, the judges of the International Criminal Tribunal for Rwanda, the ad litem judges of the International Criminal Tribunal for the Former Yugoslavia and the ad litem judges of the International Criminal Tribunal for Rwanda (A/C.5/59/2). During its consideration of the report, the Committee met with representatives of the Secretary-General, who provided additional information and clarification.

2. The report of the Secretary-General is submitted pursuant to the decision of the General Assembly to review the conditions of service and remuneration of the members of the International Court of Justice, the judges of the International

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Criminal Tribunal for the Former Yugoslavia and the International Criminal Tribunal for Rwanda and the ad litem judges of the International Criminal Tribunal for the Former Yugoslavia and the International Criminal Tribunal for Rwanda at its fifty-ninth session (para. 2 of General Assembly resolution 56/285 of 27 June 2002).

3. The report provides the background, details and evolution of the remuneration and conditions of service of the members of the International Court of Justice (paras. 4-44), of the judges of the International Criminal Tribunal for the Former Yugoslavia and the International Criminal Tribunal for Rwanda (paras. 45-65) and of the ad litem judges (paras. 66-83). In section IV of the report (paras. 84-97), the Secretary-General provides a review and makes several recommendations. Section V (para. 98) provides the financial implications should the General Assembly approve the proposals contained therein.

4. As regards the issue of remuneration, the Advisory Committee notes that the current annual emoluments of the members of the Court, the judges of the International Criminal Tribunal for the Former Yugoslavia and the International Criminal Tribunal for Rwanda and the ad litem judges remain at $160,000, since January 1999. The floor/ceiling mechanism, whose introduction by the International Civil Service Commission (ICSC) dates from 1987, continues to be applied to protect their salaries against a weakening/strengthening of the United States dollar, since the formal introduction of the euro, beginning 1 January 2002. The Committee recalls that the floor/ceiling rates are set at 4 per cent below and 4 per cent above the average exchange rate of the euro vis-à-vis the United States dollar of the previous year.

5. The Secretary-General, in paragraph 88 of the report, proposes to increase the annual emoluments of the members of the Court, the judges of the International Criminal Tribunal for the Former Yugoslavia and the International Criminal Tribunal for Rwanda and the ad litem judges from $160,000 to $177,000 effective 1 January 2005. The 10.6 per cent increase proposed takes into account the 6.3 per cent increase in the salary scale approved by the General Assembly in its resolutions 57/285 of 20 December 2002 and 58/266 of 23 December 2003, as indicated in paragraph 86 of the Secretary-General's report, and the diminution of 4.35 per cent in real value in the salaries of the judges, owing to the increase in the cost of living in the Netherlands. The application of the floor/ceiling mechanism would continue to be applied.

6. **Taking into account the fact that the last salary revision by the General Assembly of the emoluments of the members of the Court and the judges of the Tribunals took place in 1999, the loss in real value indicated in paragraphs 85 and 88 and the increase in the base salaries of staff at the Under-Secretary-General level approved by the Assembly in its resolutions 57/285 and 58/266, as shown in paragraph 86, the Advisory Committee recommends that the annual salary of the members of the Court be set at $177,000 effective 1 January 2005. However, the Committee finds a number of uncertainties with regard to the current system, since the cost of living does not fluctuate evenly at all places where the judges of the International Court of Justice and of the Tribunals sit. The Secretary-General should be requested to make proposals for the future which would take this factor into account.**

7. As to the other conditions of service, the Secretary-General is proposing to extend to the members of the Court and the judges of the Tribunals the increase in

the level of the education grant (including that for disabled children), applicable to staff in the Professional and higher categories, approved by the General Assembly, effective 1 January 2003, in section I.E of its resolution 57/285, as from the school year in progress on 1 January 2003. **The Advisory Committee has no objection to this proposal.**

8. Regarding retirement benefits, the annual retirement benefit of a member of the Court retiring in 2005 would increase from $80,000 to $88,500 per annum, effective 1 January 2005. At the same time, the retirement benefit of the judges of the Tribunals would increase from $35,500 to $39,272 per annum. This is consequential to the proposed increase in the salaries of the members of the Court and the judges of the Tribunals to $177,000 (see para. 6 above) and is pursuant to the decision of the General Assembly contained in section VIII of its resolution 53/214 of 18 December 1998, which set the retirement pension for the members of the International Court of Justice at half the annual salary.

9. In paragraph 95 of his report, the Secretary-General indicates that based on the proposed increase in the base salary of the members of the International Court of Justice, it is recommended that pensions in payment be increased by 10.6 per cent, effective 1 January 2005. **In view of its recommendation in paragraph 6 above, the Advisory Committee has no objection with this proposal.**

10. In the same paragraph, the Secretary-General further indicates that consideration should be given to applying a floor/ceiling mechanism to pensions in payment to former judges and their survivors residing in the euro zone countries to protect the level of their pensions. However, the Committee is of the opinion that the approach proposed is too narrow, taking into account that the Registrar of the Court, in the letter addressed to the Secretariat in April 2004, indicates the drastic deterioration in value that often results "both in Europe and other non-United States dollar zones" (see A/C.5/59/2, para. 44).

11. **The Advisory Committee therefore recommends further elaboration of this proposal, including consideration of other options that could protect the pensions in payment to former judges and their survivors. Moreover, the Committee is of the opinion that the Secretariat should avail itself of the experience of ICSC in applying floor/ceiling arrangements to salaries. The results of such a review should be presented to the General Assembly at its resumed fifty-ninth session.**

12. Paragraph 98 of the Secretary-General's report contains the financial implications, should the General Assembly approve the proposals of the Secretary-General with regard to the increase in annual salary, additional pension payments in respect of former judges and the widows of judges and the costs related to the increase in the education grant mentioned in paragraphs 6, 7 and 9 above, which would amount to an estimated $1,041,200. Since the estimated requirements are seen as related to inflationary adjustments, they would be reported in the context of the performance report for the biennium 2004-2005.